

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Pennsylvania**POSTELIGIBILITY PERSONAL NEEDS ALLOWANCE DEDUCTIONS
FOR PERSONS IN INTERMEDIATE CARE FACILITIES**

1. A personal needs allowance of \$50.00 a month for a person in an intermediate care facility who has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution which do not exceed \$50.00 gross per month.
2. A personal needs allowance of \$70.00 a month for a person in an intermediate care facility who has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution which are more than \$50.00 gross per month but do not exceed \$90.00 gross per month.
3. A personal needs allowance of \$110.00 a month for a person in an intermediate care facility who has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution which are more than \$90.00 gross per month but do not exceed \$150.00 gross per month.
4. A personal needs allowance of \$110.00 a month plus 50% of the difference between the actual gross earnings and \$150.01 but not to exceed the one-person categorically needy nonmoney payment (NMP-MA) income limit which is the Federal benefit rate plus the State supplement payable under Title XVI of the Social Security Act (42 U.S.C.A. §§1381-1383C) if the person in an intermediate care facility has sheltered workshop earnings or other earnings from therapeutic activities arranged by the institution which are more than \$150.00 gross per month.

TN No. 91-33

Supersedes

Approval Date

2/12/228Effective Date November 1, 1991TN No. 89-11

HCFA ID:

SUPPLEMENT 12

RESOURCES

(A) AFDC-Related

Refer to item numbered 10a on Attachment 2.6-A, page 18.

The eligibility groups covered by the less restrictive resource methodologies include those listed in Social Security Act sections 1902(a)(10)(i)(III), (a)(10)(A)(i)(IV), (a)(10)(A)(i)(VI), (a)(10)(A)(i)(VII), and (a)(10)(A)(ii)(IX).

- (1) Lump Sum - For AFDC-related categorically needy nonmoney payment and medically needy only applicants/recipients, except where the person chooses to have the receipt of a lump sum treated as income because that is advantageous to the person, a lump sum will be treated as a resource and combined with all other resources in determining eligibility.

(B) Aged, Blind, and Disabled (SSI-Related)

Refer to items number 10 b, c, and d on Attachment 2.6-A, pages 18 and 19.

The eligibility groups covered by the less restrictive resource methodologies includes those listed in Social Security Act sections (a)(10)(A)(ii)(VI), (a)(10)(C)(i)(III), and (a)(10)(ii)(X), 1902(m)(1), and 1905(p).

- (1) Property Used in Trade or Business - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, the applicant's/recipient's equity interest in property used in a trade or business essential to self-support is excluded, subject to a maximum of \$15,000. The exclusion is applicable only if the property produces an annual net return of at least 6 percent of the excludable equity value.

NOTE: The Omnibus Budget Reconciliation Act (OBRA) of 1989, Pub. L. 101-239 enacted December 19, 1989 removed the limit on the value of property used in a trade or business which can be excluded as a resource for the SSI cash program. Pennsylvania implemented the mandatory change at section 8014 of OBRA 1989 on the effective date which was five months after the date of enactment. The cap on such property does not apply after the OBRA 1989 mandatory implementation date.

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Supersedes TN _____ Effective date 4/1/88

- (2) Joint Bank Accounts - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, joint bank accounts are treated as a resource in accordance with the Multiple-Party Accounts Act of Pennsylvania, 20 Pa. C.S.A. §6301, eq seq. Joint bank account are considered owned by the several owners in proportion to their contributions to the account, unless, a contrary intent is indicated. This policy is neither less restrictive nor more restrictive than the SSI policy. Compliance with the Multiple-Party Accounts Act of Pennsylvania is SSI policy in Pennsylvania by virtue of an order of the U.S. Court of Appeals for the Third Circuit in Cannuni v. Schweiker, 740 F.2d 260 (1984).
- (3) Automobile - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, one automobile is excluded regardless of value.
- (4) Life Insurance - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, the life insurance owned by the applicant/recipient, up to a maximum face value of \$1,500 for each insured person, is excluded. If the life insurance of the insured person has a total face value in excess of \$1,500, only the cash surrender value in excess of \$1,000 is considered a resource.

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PENNSYLVANIA ATTACHMENT TO ATTACHMENT 2.6-A
SUPPLEMENT 12

RESOURCES

(A) AFDC-Related

Refer to item numbered 10a on Attachment 2.6-A, page 18.

- (1) Lump Sum - For AFDC-related categorically needy nonmoney payment and medically needy only applicants/recipients, except where the person chooses to have the receipt of a lump sum treated as income because that is advantageous to the person, a lump sum will be treated as a resource and combined with all other resources in determining eligibility.

(B) Aged, Blind, and Disabled (SSI-Related)

Refer to items number 10 b, c, and d on Attachment 2.6-A, pages 18 and 19.

- approved, per
il R. Wilensky
ter of Nov. 8, 1991
John White.
- ~~(1) Property Used in Trade or Business - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, the applicant/recipient's equity interest in property used in a trade or business essential to self-support is excluded, subject to a maximum of \$15,000. The exclusion is applicable only if the property produces an annual net return of at least 6 percent of the excludable equity value.~~

NOTE: The Omnibus Budget Reconciliation Act of 1989, Pub.L. 101-239 removed the limit on the value of property used in a trade or business which can be excluded as a resource for the SSI cash program.

- (2) Joint Bank Accounts - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, joint bank accounts are treated as a resource in accordance with the Multiple-Party Accounts Act of Pennsylvania, 20 Pa. C.S.A. §6301, et seq. Joint bank accounts are considered owned by the several owners in proportion to their contributions to the account, unless a contrary intent is indicated. This policy is neither less restrictive nor more restrictive than the SSI policy. Compliance with the Multiple-Party Accounts Act of Pennsylvania is SSI policy in Pennsylvania by virtue of an order of the U.S. Court of Appeals for the Third Circuit in Cannuni v. Schweiker, 740 F.2d 260 (1984).
- (3) Automobile - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, one automobile is excluded regardless of value.

Approval Date . . . E & A Date
JAN 13 1992 . . . 1/1/92

- (4) Life Insurance - For SSI-related categorically needy nonmoney payment and medically needy only applicants/recipients, the life insurance owned by the applicant/recipient, up to a maximum face value of \$1,500 for each insured person, is excluded. If the life insurance of the insured person has a total face value in excess of \$1,500, only the cash surrender value in excess of \$1,000 is considered a resource.

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JAN 13 1992

EPG Date

1/1/88

PENNSYLVANIA

Social Security Act 1902(r)(2) - More Flexible Methodology Provisions(A) AFDC RELATED - Resources

Refer to item 10.a on Attachment 2.6-A, page 18

For AFDC related categorically needy nonmoney payment and medically needy only applicants/recipients, resources are evaluated as of the date of application/reapplication and as of the date there is a change in those resources. An applicant/recipient is ineligible for MA on the date that his resources exceed the MA resource limit for the appropriate MA Program and he remains resource ineligible until his resources are equal to, or less than, the resource limit. **EXCEPTION:** A person is not ineligible if the resources are reduced to the appropriate MA resource limit within the required 10-day advance notice period and when applicable, fair consideration is received.

(B) AGED, BLIND, AND DISABLED (SSI) RELATED - Resources

Refer to item numbered 10.a on Attachment 2.6-A, pages 18 and 19

For SSI related categorically needy nonmoney payment and medically needy only applicants/recipients, resources are evaluated as of the date of application/reapplication and as of the date there is a change in the resources. Resource changes in the month have no effect until the following month's resources determination. **EXCEPTION:** A person is not ineligible if the resources are reduced to the appropriate MA resource limit within the required 10-day advance notice period and when applicable, fair consideration is received.

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APPROVAL
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EFFECTIVE
DATE July 1, 1990

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